

of controlled corporations and for purposes of such substitution were taken at a fair value less than the cost thereof, in an amount equal to such fair value; and

(c) in case the release requested in such application is wholly or partly on the basis of the substitution of securities of one or more controlled corporations, a certificate of an engineer or, if the cost to the Company of the securities to be substituted as stated in such application is greater than \$1,000,000, a certificate of an independent engineer stating the fair value, in the opinion of such engineer, as of a date not more than thirty days prior to the date of such application, of the securities to be substituted.

The documents and consideration furnished pursuant to the foregoing paragraph of this Section shall be full evidence of compliance with the provisions of this Section and full authority to the Trustees for effecting any release requested pursuant to this Section.

For purposes of this Section, (a) any stocks, bonds, notes or other evidences of indebtedness or property (other than cash) received by the Corporate Trustee pursuant to the provisions of Section 9.04 or Section 9.10 in lieu of or in exchange for any shares of stock and/or other securities of any controlled corporation pledged hereunder shall take the place of and be substituted for the shares of stock and/or other securities in lieu of or in exchange for which such stocks, bonds, notes or other evidences of indebtedness or property were received and, subject to any other adjustments provided for in this paragraph, the cost to the Company of the stocks, bonds, notes or other evidences of indebtedness or property so received shall be an amount equal to (i) the cost to the Company of the shares of stock and/or other securities in lieu of or in exchange for which the same were received, less (ii) any cash received by the Corporate Trustee on account of such last mentioned shares of stock and/or other securities, (b) any shares of stock received by the Corporate Trustee representing a stock dividend on any shares of any controlled corporation pledged hereunder shall be deemed to constitute a part of the pledged shares in respect of which such stock dividend was paid and, subject to any other adjustments provided for in this paragraph, the cost to the Company of such dividend shares and